

OFFICIAL MINUTES OF THE REGULAR MEETING OF THE MANASSAS PARK GOVERNING BODY HELD ON TUESDAY, MAY 7, 2019 AT 7:00PM AT MANASSAS PARK CITY HALL, ONE PARK CENTER COURT, MANASSAS PARK, VIRGINIA

Roll Call

Present

Jeanette Rishell, Mayor
Preston Banks, Vice Mayor
Hector Cendejas*
Miriam Machado
Donald Shuemaker
Alanna Mensing
Haseeb Javed

Absent

None

Staff

Lana A. Conner, City Clerk
Laszlo A. Palko, City Manager
Dean Crowhurst, City Attorney

*Councilmember Hector Cendejas requested participation in the meeting by remote participation. Mayor Rishell asked for and received unanimous vote to allow Hector Cendejas to participate in the meeting by remote participation.

In accordance with the Participation Policy, Councilmember Cendejas has provided the following information regarding reasons for not attending and specific location:

Councilmember Cendejas' specific location is DoubleTree Suites by Hilton Hotel Boston/Cambridge 400 Soldiers Field Rd Allston, MA 02134. The reason Councilmember Cendejas is unable to attend the regular Governing Body meeting is for personal matters (non-emergency/non-medical). Councilmember Cendejas is currently in Boston/Cambridge for two courses for educational/professional development at Harvard Kennedy School - Executive Education.

1. Approval of Agenda:

MOTION: Councilmember Shuemaker moved to amend agenda with addition of two items under Item 10 Closed Meeting (8) Consultation with City Attorney.

SECOND: Councilmember Machado

VOTE: Yes: Shuemaker, Machado, Banks, Cendejas, Javed, Mensing, Rishell

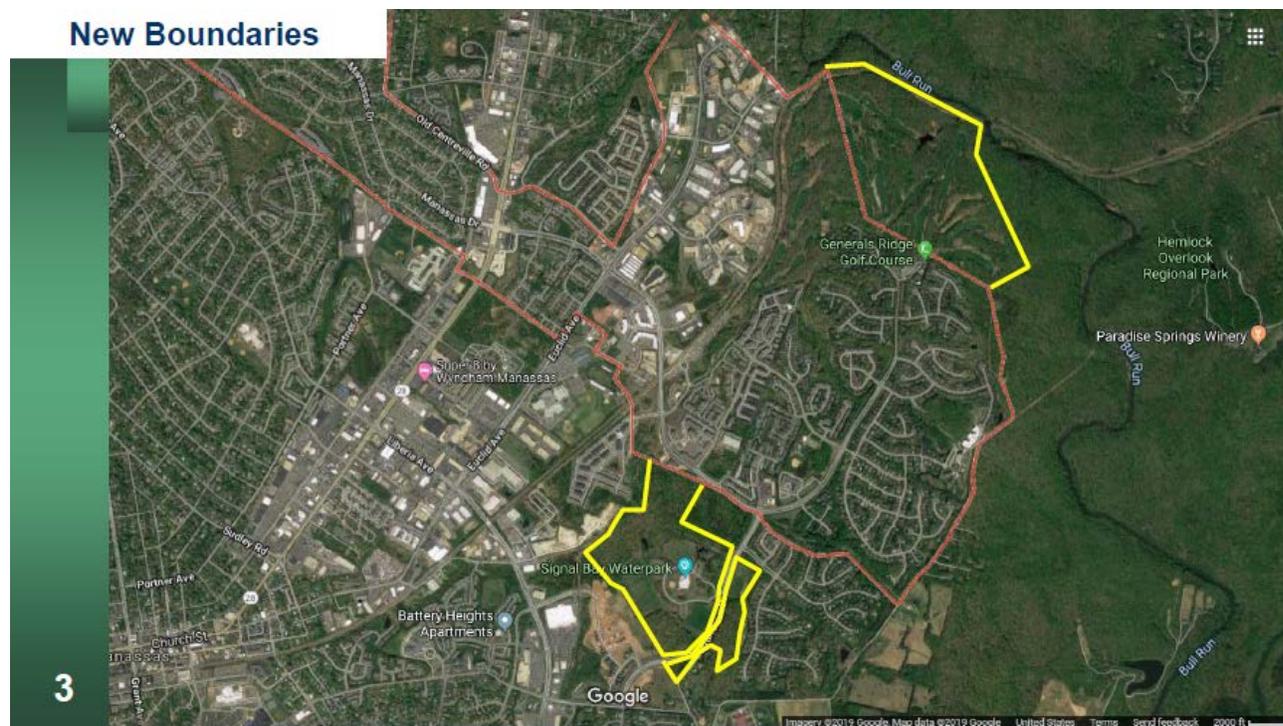
2. Moment of Silence/Pledge of Allegiance: Vice Mayor Banks

3. Public Comment Time: None

3a. Public Hearing: Boundary Line Adjustment Agreement: City of Manassas Park and Prince William County:

Mayor Rishell opened the Public Hearing at 7:05pm.

The City Attorney stated the Prince William County Board of Supervisors held their public hearing today and approved the boundary line adjustment and lease termination agreement, which is incorporated into the boundary line adjustment. This public hearing is to consider bringing in approximately 315 acres of land into the city limits which includes Signal Hill Park, General Ridge Golf Course and Catholic Diocese of Arlington property. It was advertised for two consecutive weeks in Prince William Times and notified by letter the owners of Diocese property and ground lessee at Signal Hill Park for the cellphone tower. The City Manager gave a quick synopsis of some of the benefits of this boundary line adjustment and termination of the lease. The golf course land and Signal Hill land is owned by the City of Manassas Park but not incorporated into their boundary.



In December of 2018, the Prince William County (PWC) informed the Mayor and City Manager that they would like to come to an agreement that would allow for the termination of the existing lease for them to manage the Golf Course as a result of the County losing operating revenue managing the Golf Course. PWC has been managing the General Ridge's Golf Course since the mid-1990s and paying the City of Manassas Park (City), lease revenue on a monthly basis. As part of the agreement to terminate this lease early, the CMP asked PWC to pay up-front the lost lease revenue to the City from the moment the lease is terminated to 2027 and to agree to enter into a Boundary Line Adjustment agreement to bring both the Golf Course parcels and the City's Signal Hill Park parcels into the CMP so that the City would have sovereignty over its own land.

PWC is not going to renew the Golf Operations Lease in 2027 and thus this- not having an operating Golf Course- was going to happen anyways as the City is not able to subsidize Golf operations. Consultants have stated they over built the supply in the region as well as nationally and demand has gone down since the 1990's. There are only two profitable golf courses in PWC.

City needs the lease revenue now vs in 2023-2027 due to financial and cash challenges facing the City until FY 23. This provides the City sovereignty over its own land- Signal Hill Park and Golf Course, which would not be an option if we wait until 2027. Provides our residents more green space and additional recreational opportunities- walkable paths in a deeply wooded and beautiful setting with streams and a pond. City could look at stormwater nutrients investments programs on the golf course.

A big benefit to the city is that there are multiple buildings on this site. A couple of these buildings will satisfy a long-term capital requirement of our Parks & Recreation department for storage. Two additional buildings can serve as city government offices, which will save the city long-term capital cost.

Vice Mayor Banks stated that one of the buildings could be rented out for events and receptions. The City Manager will be exploring the use of the buildings and will request a recommendation from Parks and Recreation department on getting additional revenue.

The last day for operation of golf course is May 19, 2019. The residents will be able to use the trails but there are several items on Exhibit A of the agreement that PWC must repair before turning it over to the city by September 30, 2019. The City must cut grass around the trails but not on the fairways, which will grow back to their natural state. Mayor Rishell recommended the use of flea and tick spray when walking the trails.

There are four buildings. The clubhouse is in the city, a building next to clubhouse that could be used by the city and the smaller buildings could be used for storage. There is an additional facility, which is used for park irrigation.

The City Attorney stated if you approve the boundary line adjustment the city would have to petition the courts to put their stamp of approval on it. City has to wait 30 days beyond the date of the order before it comes into the city. The City has a Voluntary Settlement Agreement for annexation that was approved in 1989 in that there were a lot of requirements of the city and a determination of whether they have all been completed or not. One of the provisions is that the city complete the list, which is listed as Exhibit D. The City Attorney provided a list to them of each line item within the agreement and city will try to finish out the rest of them. The PWC BOS would have to approve the list once completed.

Exhibit C is a list of recorded right of way, easements and agreements the County is conveying over to the City. There were certain easements within the city owned property when we developed as a golf course and park we had to convey easement to the county in that process. Those easements are now going to be conveyed city by this document. We have right of way that was brought into the city under previous boundary line adjustment but was never conveyed to the city. We have them conveying within this document one right of way. They agreed to consider doing the same for other right of ways from previous boundary line adjustments.

Vice Mayor Banks: in regards to Exhibit C, portions of Manassas Drive conveyed to PWC. The City Attorney stated when we acquire ROW it can be through prescription or by dedication of right of way by a private owner or property owner. When Manassas Drive/Signal View Drive intersection was being completed, they found they needed additional right of way, which was in the county. When the ROW was dedicated, they dedicated a portion of Manassas Drive and a portion of Signal View Drive in the same document. It was conveyed to CMP and PWC but was not clear where that line was. When they conveyed it initially, it was to the county and when they did the boundary line adjustment it came to the city but they did not convey it to the City at that time. This is to clean that up. We had one big area of dedicated right of way without clear delineation then we had a portion of that brought into the city but never clear who owned it. This is important because we have franchise agreements with various utilities. We do not require them to get easements on private property because they can use our right of way. If we do not own the ROW, we cannot let them use the ROW. We need to own the ROW.

It is not owned by the city but is a catch all so that any ROW within that area that was ever owned by PWC is now the City. It is giving the city rights, title and interest in that dedicated ROW. Otherwise, it is unclear where the delineation is. It makes it clear that all roads in the City are owned by the City. We will have to do this with other areas in the city as we find them.

Exhibit D: The City Attorney stated there are quite a few of outstanding issues. Many of the issues are thing that require somebody to drive through the city. All of the land brought in under the annexation agreement has been developed. The big-ticket item was Signal Hill Park. We had a Special Use Permit to govern what we did there based on voluntary settlement agreement.

Birmingham Drive: County had a requirement that the city convey dedicate(d) 15" ROW along the eastern side of the city so they could widen Birmingham Drive up to Cougar Elementary. We have not done that but reserved ROW when we developed Blooms Crossing. The only portion dedicated was in Burns property. The County will have to approve the final agreement showing all issues have been approved.

The City will get their funds no later than September 30, 2019.

Lease Termination Agreement: last recital revised: County and City conducted inspection of the property on April 25, 2019 and have agreed that except for the repairs listed in Exhibit A the property is in good condition reasonable wear and tear accepted, the County has agreed to make the repairs on Exhibit A or before September 30, 2019.

Concerns at County Public Hearing: No concern about the agreement but comments about this land being used to build houses on portions of the land. The golf course land and signal hill park land was purchased with federal and ran through the state for recreation so it remains as required by grants. We would have to replace this land with other land in order to change the use. The diocese property will be used for a church and not for residential use.

Councilmember Shuemaker thanked City Staff who took the lead and did a great job getting this agreement completed. It is a good agreement for city because we are getting funding up front, ROWs, and getting our land back in the city.

Citizens wishing to address the Public Hearing:

Father Juan: this is good news. Since 2010, the Catholic Church has been using the community center for their meetings. Now they will be able to build a church in the city. He thanked everyone for all of their hard work. The city will be the entity that approves all applications for development of the site. It is A1 property and is a by-right use for a religious institution.

Close Public Hearing at 7:31pm:

MOTION: Councilmember Shuemaker

SECOND: Councilmember Machado

VOTE: Yes: Shuemaker, Machado, Banks, Cendejas, Javed, Mensing, Rishell

This item is listed as item 8d on agenda. It is important that Staff start the process as soon as possible to get this in the courts.

4. Informational: Draft School Fund Balance MOU:

Mayor Rishell stated that she had two information items for the public record.

In the first item, I would like to correct some mis-information. It came to my attention that a claim was made at the School Board meeting that the City was going against and ignoring the recommendations of the auditors in terms of cash transfers. I can say with 100% certainty that the City did NOT disregard the auditor's recommendation because there was no recommendation made to City management about the \$190,000 transfer that was referenced at the School Board meeting. The city got a clean opinion on the FY17 and FY18 audits. And if that transfer would have been in error, then the auditors would have notified the City, and the City would have been dinged for that in the Management Letter of the Audit. It would have been mentioned in the Management Letter, and it was NOT. Furthermore, the City Manager never received an email or phone call from the auditor about not making the \$190,000 transfer.

When there is a procedural disagreement between the City and the Schools, the auditor remains independent and neutral, and prefers that the City and the Schools resolve their own issues and disagreements. The auditor may have expressed an opinion to the Schools about cash reconciliation pertaining to the FY19 Audit but did not express that to city management because the City has not started the FY19 audit yet. And for the record, the \$190,000 was added back to the schools in the FY19 Budget Amendment PLUS \$25,000 from City fund balance was added to that, for a total transfer back to the schools of \$215,000. This was to ensure there were no adverse impacts to the School budget as the City had promised.

The second information item is regarding the Draft Memorandum of Understanding for the City and the Schools that was drafted following numerous meetings of the Joint City-Schools Committee, which was created by the Governing Body. All of us on the Joint Committee had good intentions, and I certainly have the utmost respect for everyone who participated. We all worked hard to achieve a good result. We all understand that it is not just the City that is under financial stress. The Schools and all other components of the City share in this predicament. They also share in efforts to attain fiscal stability, and also recognize that the primary reason for this fiscal stress is the large debt incurred for both the City and the Schools building projects. Because overall finances affect everyone, we all have a SHARED responsibility to address this as best we can.

The Joint Committee went through a lengthy process to craft an MOU that would help in this regard, and because it is difficult to get everyone's schedule together there were longer stretches of time between meetings. Because it is clear that the MOU is not quite ready for a vote by the Governing Body and by the School Board, the members of the Joint Committee intend to continue to meet in an effort to work through the few remaining issues, including providing more clarity in the wording of the MOU so that it truly represents our joint understanding.

The MOU is important because first of all we desire to fulfill the requirements of the Code of Virginia, and in doing so, to provide a document that memorializes our intent so that future Governing Bodies and future School Boards will know what we did and why we did it.

None of us will be around forever, but hopefully the MOU will serve well into the future since it will be reviewed regularly. When the City is in better financial condition, the percentages listed in the MOU will very likely change, but we want to make certain that the basic template is accurate and practical.

I would like to address some specific concerns that I have heard:

****A concern was expressed that the 5% retained by the Schools each year would at some point be taken back by the City, but that is NOT the intent of the City. There is no turn back mechanism in the draft MOU and the City fully expects the Schools to use the 5% to build up its fund balance for emergencies. This is one area of the MOU where the text might need clarification by the Joint Committee.**

****Another concern was that allowing the Schools to retain only 5% would create an atmosphere that would encourage wasteful spending in an effort to keep more funding for the Schools. I do not believe this would become a problem, because I have the utmost respect for the integrity of both the School Board and the School Division that they would NOT engage in wasteful spending. So to me, it demonstrates confidence in the ability of the School Board and the School Division to save money and to not spend wastefully.**

****There was also a concern expressed that since funds were first appropriated for the Schools as indicated in Section 1.b., that it was not necessary to appropriate again per Section II. The assumption was that the GB would no longer have any control over those funds after the initial appropriation. My understanding of that issue is as follows:**

Although the MOU states that the School Board would retain 5% of the unexpended local funds that exist at the end of each fiscal year, Section 22.1-100 of the Code of Virginia makes it clear that all unexpended local funds actually remain a part of the funds of the Governing Body, and I quote: "All funds derived from local funds unexpended in any year shall remain a part of the funds of the governing body appropriating the funds for use the next year..." So the language in the MOU is really creating a lockbox for funds set aside by the Governing Body for the School Board.

In addition, Section 15.2-2506 of the Code of Virginia states that, and I quote:

"No money shall be paid out or become available to be paid out for any contemplated expenditure unless and until there has first been made an annual, semiannual, quarterly or monthly appropriation for such contemplated expenditure by the governing body."

So my understanding is that the draft MOU is entirely consistent with the appropriation language in the Code of Virginia. Everyone negotiated in good faith and in a positive way. And in my opinion the draft MOU is a positive document that reflects our support of the schools; the Governing Body tries to provide strong support for all core services of the City. In the end, we cannot give what we do not have, so as I mentioned earlier, all parts of the city have a shared responsibility in this predicament. I am sure we all very much look forward to going back into Joint Committee to achieve final resolution.

5. Recognitions/Presentations: None

6. Consent Agenda

6a. Approval of Minutes of March 23 and April 23, 2019

MOTION: Councilmember Shuemaker moved to approve Consent Agenda with noted corrections to minutes: of April 9, 2019:

Donald Shuemaker was not at the training on 3/23.

Page 28-Under Chief Dixon Not instead of no

Page 29 Surface instead of Circus

Page 29--I want to see Manassas Dr prioritized over Mathis (switch)

SECOND: Councilmember Machado

VOTE: Yes: Shuemaker, Machado, Banks, Cendejas, Javed, Mensing, Rishell

7. Unfinished Business: None

8. New Business:

8a. FD: Fire Vehicle Purchase: First National Bank \$50,241.50: James Soaper, Deputy Fire Chief:

The Fire & Rescue Department has a need to replace a staff vehicle (2001 Jeep Cherokee), which was taken out of service in 2017 due to mechanical issues and is being sold at city auction. The department would like to purchase a 2019 Dodge Durango AWD Special Service Vehicle with Emergency Lighting and Electronics Package. The Fire Chief will use the new vehicle. The fire chief's current vehicle will be used primarily by the part-time fire inspector. The department proposes to utilize a 5-Year Municipal Lease Purchase Plan through First National Bank (the same program being utilized by the police department for vehicle purchases). Terms will be 4.75% interest for 5 Years with Annual Payments made in Advance. Annual Payments will be \$10,048.30, for a total cost of \$50,241.50, which includes the interest. The vehicle, listed on the state government contract, will be purchased through IG Burton and Company Inc. and other state contract vendors (Fastlane Emergency Vehicles and Atlantic Communications Lighting, Purcellville VA) will provide and install vehicle emergency lighting and upfit vehicle interior. Amount Budgeted: \$ 54,750.00 for 5 Years (FY19 - \$10,950.00) Amount Requested: \$ 50,241.50 for 5 Years (\$10,048.30 for FY 19) Budget Line Item: FY19-FY23: General Fund Capital Improvement Plan Principal Lease: 302-94200-9110-03-21-00. All documents were submitted to City Attorney for review.

Vice Mayor Banks asked about the terms of the warranty. Their modification is at \$16,000 over the vehicle price. Chief Soaper stated it is a Dodge warranty that is offered with the vehicle. Fastlane will install the conversion equipment (very expensive), which is custom fabricated for the fire department. Mayor Rishell stated that warranties are standard. Warranty is outlined on Page 62/63 of the packet.

This is a lease purchase of the vehicle.

Councilmember Shuemaker expressed concern about paying \$50,000 for one vehicle considering the vehicle needs we have throughout the city. He realizes this vehicle has a lot of modifications. Chief Soaper stated their last vehicle purchase in 2015 was for over \$47,000 for fire marshal vehicle.

The City Attorney stated this was purchased riding a state contract. City is going to be using cooperative procurement to purchase the vehicle and separate lease purchase agreement so there may be another agreement coming back to Governing Body for final approval.

Vice Mayor Banks does not see a savings with state contract. The city is saving \$6,750.

Chief Soaper stated this is a special services enhanced vehicle not a vehicle you would buy off the lot. It is not a pursuit vehicle but a rapid response vehicle.

Staff recommendation: That the Governing Body authorize the City Manager to negotiate a lease/purchase contract for the purchase of the replacement Fire Chiefs vehicle at the lowest negotiated interest rate obtainable, through First National Bank with (5) annual payments, for a total cost of \$50,241.50 with an interest rate not to exceed 4.75% pending advice of the Director of Finance, and final document review by the City Attorney.

(1) Purchase of Vehicle:

MOTION: Councilmember Shuemaker moved to authorize the purchase of the 2019 Dodge Durango AWD vehicle as presented with the communication and lighting package and Fastlane emergency vehicle upgrade as presented.

SECOND: Councilmember Machado

VOTE: Yes: Shuemaker, Machado, Banks, Cendejas, Javed, Mensing, Rishell

(2) Financing of Vehicle:

MOTION: Councilmember Shuemaker moved that the Governing Body authorize the City Manager to negotiate a lease/purchase contract for the purchase of the replacement Fire Chiefs vehicle at the lowest negotiated interest rate obtainable, through First National Bank with (5) annual payments, for a total cost of \$50,241.50 with an interest rate not to exceed 4.75% pending advice of the Director of Finance, and document review by the City Attorney.

SECOND: Councilmember Machado

VOTE: Yes: Shuemaker, Machado, Banks, Cendejas, Javed, Mensing, Rishell

Councilmember Shuemaker would like staff to be careful with the cost of these vehicle because he knows the needs of vehicles across the city are numerous. Look at ways to bring the cost down on vehicles. The City Manager stated that is something he is evaluating. He has been talking with Enterprise who are involved with outfitting organizations. He wants to establish an RFP for lease program for all city vehicles. Outfitting the vehicles is a very expensive proposition.

8b. Bull Run Alcohol Safety Action Program Lease Agreement: City Manager:

As of April 22, 2019, the City's Department of Social Services vacated their office space at City Hall and moved to a new office space located in Phase 2 of the City's Downtown Development. This presents an opportunity for the City to lease out the existing space until Phase 3 of the Downtown gets built. The City has reached a lease agreement with Bull Run ASAP (Alcohol Safety Action Plan) for a two-year term followed by three additional one-year renewal options. Fortunately, ASAP is already a member of our City team as we are the fiscal agents for this governmental entity that is regulated by the state (<http://www.vasap.state.va.us/>). The City's Finance Department has an existing relationship with ASAP leadership. This lease will provide a great opportunity for both entities as it will provide better traditional office space for ASAP and will provide the City with some extra needed revenues for at least the next two years.

Councilmember Shuemaker stated this is a good agreement and brings revenue into the city. Councilmember Machado stated this revenue would improve the city budget. Vice Mayor Banks stated here is an empty space in our building and City Manager looked at it as an opportunity for the city to earn revenue, which is innovative thinking.

Staff recommends that the Governing Body approve the attached Deed of Lease and authorize the City Manager to sign it pending final review by City Attorney.

MOTION: Councilmember Shuemaker moved that the Governing Body approve the attached Deed of Lease and authorize the City Manager to sign it pending final review by City Attorney.

SECOND: Councilmember Machado

VOTE: Yes: Shuemaker, Machado, Banks, Cendejas, Javed, Mensing, Rishell

8c. Budget Advertising: City Manager:

On April 9, 2019, the City Manager presented the draft FY 20 Budget. Since then the Governing Body has held multiple work sessions to review each department's budget and the Capital Improvement Plan. Per the approved Budget Schedule (see attachment 1), the target for the Public Hearing on the Budget was May 28, 2019. To accomplish this goal, Staff would need to advertise the budget over the following 2 weeks (week of the 13-17th of May and 20-24th of May) and thus requires guidance from the Governing Body on what it would like Staff to advertise. Attached is the Staff recommended Budget (see attachment 2) and Not to Exceed Tax/Fee Rates (see attachment 3) draft advertisement data for the Governing Body to review and amend as needed.

The latest that a Public Hearing could be held to give the Governing Body enough time to vote on the Budget prior to the start of the next Fiscal Year would be June 18, 2019. Thus, the Governing Body could direct Staff to hold off on advertising for another three weeks if deemed necessary for further budget discussion and amendment. As a reminder, the Governing Body can move to advertise and then make amendments later as long as the changes after advertisement do not exceed the spending limits and tax/fee rates that are advertised.

Staff recommends that the Governing Body provide guidance to City Staff on how to proceed with advertising the FY 20 Budget and not to exceed tax and fee rates.

It was consensus of Governing Body to proceed with advertising the FY20 Budget and not to exceed tax and fee rates.

Councilmember Shuemaker stated that city rates are staying the same and our personal property tax rate is the lowest in Northern Virginia. Manassas is raising their rate again. City is being fiscally conservative with the restrictions we have.

8d. Resolution 19-1000-2045 Boundary Line Adjustment Agreement: City of Manassas Park and Prince William County:

Governing Body held a public hearing on this proposed agreement tonight.

MOTION: Councilmember Shuemaker moved that the Governing Body approve the Resolution as read into the record approving the Boundary Line Adjustment Agreement between the City of Manassas Park and Prince William County

SECOND: Councilmember Machado

VOTE: Yes: Shuemaker, Machado, Banks, Cendejas, Javed, Mensing, Rishell

8e. FY2020 Budget Worksession:

The City Manager is requesting that any discussion or information needed on the budget be sent to him. The School Board will present their budget on May 14, 2019.

9. Manager Update: No updates

Councilmember Shuemaker stated the April 30, 2019 unveiling and dedication of a New American Red Cross Emergency Response Vehicle was a great event. The vehicle was donated by QMT.

10. Closed Session: State Code: VA Freedom of Information Act: Sec 2.2-3711a: 8PM:

MOTION: Councilmember Shuemaker moved to accept recommendation of City Attorney that the Governing Body go into closed meeting to consult with the City Attorney regarding two specific legal matters that require the provision of legal advice by the City Attorney pursuant to Paragraph 8 of Subsection 2.2-3711A of the Code of Virginia.

SECOND: Councilmember Mensing

VOTE: Yes: Shuemaker, Mensing, Banks, Cendejas Javed, Machado, Rishell

11. Return to Open Session: 8:48 PM:

MOTION: Councilmember Shuemaker

SECOND: Councilmember Machado

VOTE: Yes: Shuemaker, Machado, Banks, Javed, Mensing, Rishell

12. Certification & Action out of Closed Meeting if Necessary:

MOTION: Councilmember Shuemaker moved the following Resolution:

WHEREAS, the Governing Body of the City of Manassas Park has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712(d) of the Code of Virginia requires a certification by this public body that such closed meeting was conducted in conformity with Virginia law.

NOW THEREFORE BE IT RESOLVED that the Governing Body of the City of Manassas Park hereby certify that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter and (ii) only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed or considered in the meeting by the public body.

SECOND: Councilmember Mensing

VOTE: Yes: Shuemaker, Mensing, Machado, Banks, Javed, Rishell

13. Adjournment 8:49 PM:

MOTION: Councilmember Shuemaker

SECOND: Councilmember Mensing

VOTE: Yes: Shuemaker, Mensing, Banks, Javed, Machado, Rishell

Approved May 21, 2019

Jeanette Rishell, Mayor

Lana Conner, City Clerk